

115TH CONGRESS  
1ST SESSION

# H. R. 2697

To amend title 10, United States Code, to require additional disclosures by creditors when lending to members of the Armed Forces and their dependents, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 25, 2017

Mr. KILDEE introduced the following bill; which was referred to the Committee on Armed Services

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## A BILL

To amend title 10, United States Code, to require additional disclosures by creditors when lending to members of the Armed Forces and their dependents, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*

2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Transparency in Mili-

5       tary Lending Act of 2017”.

**1 SEC. 2. TRANSPARENCY IN LENDING TO MEMBERS OF THE**  
**2 ARMED FORCES AND THEIR DEPENDENTS.**

3       (a) TRANSPARENCY AND DISCLOSURES.—Section  
4 987(c) of title 10, United States Code, is amended by add-  
5 ing at the end the following new paragraph:

**6                   “(3) ADDITIONAL DISCLOSURES.—**

7                 “(A) IN GENERAL.—With respect to any  
8                 extension of consumer credit described in para-  
9                 graph (1), a creditor shall provide to the mem-  
10                 ber or dependent each of the following pieces of  
11                 information, orally and in writing:

12                             “(i) A statement that the Department  
13                             of Defense and each service branch offers  
14                             a variety of financial counseling services.

15                             “(ii) A statement that other, lower in-  
16                             terest rate loans, including potentially 0  
17                             percent interest loans, may be available  
18                             through other financial institutions and  
19                             military relief societies.

20                             “(iii) Contact information for the  
21                             nearest Department of Defense financial  
22                             counseling office.

“(iv) A statement of the actual cost of  
the extension of credit, prepared as an am-  
ortization table showing what the cost to  
the member or dependent will be if the ex-

1                   tension of credit is paid off at different  
2                   points over time.

3                   “(B) FORMAT OF DISCLOSURES.—The  
4                   written disclosures required under clauses (i),  
5                   (ii), and (iii) of subparagraph (A) shall be pro-  
6                   vided on single sheet of paper and be in a bold,  
7                   14-point font.

8                   “(C) SIGNED ACKNOWLEDGMENT.—With  
9                   respect to any extension of consumer credit de-  
10                  scribed under paragraph (1), a creditor may not  
11                  issue the credit unless the member or depend-  
12                  ent signs a separate acknowledgment next to  
13                  each piece of information described in para-  
14                  graph (3)(A) acknowledging that the member  
15                  or dependent has read each piece of informa-  
16                  tion.

17                  “(D) LIST OF FINANCIAL COUNSELING OF-  
18                  FICES.—The Secretary of Defense shall prepare  
19                  a list of Department of Defense financial coun-  
20                  seling offices and make the list available to  
21                  creditors and the public.

22                  “(E) TRANSPARENCY FOR PAYDAY LOANS  
23                  AND VEHICLE LOANS.—In this paragraph, the  
24                  term ‘consumer credit’ shall include ‘payday  
25                  loans’ and ‘vehicle title loans’ as those terms

1       were defined in section 232.3 of title 32, Code  
2       of Federal Regulations, as in effect on July 1,  
3       2015.”.

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